REMARKS

Entry of this Amendment and reconsideration are respectfully requested in view of the amendments made to the claims and the remarks made herein.

Claims 1-12 are pending. Claims 1-4, 7, and 10-12 stand rejected. Claims 5, 6, 8 and 9 are objected to. Claims 1, 5 and 10 have been amended. No new matter has been added. Support for the amendment may be found on page 6, lines 10-19.

Claims 1, 10, and 12 are rejected under 35 USC §102(a) as being anticipated by Lin (3D Listless Zerotree Coding for Low Bit Rate Video). The Office Action states the claims are anticipated by Lin.

Applicant respectfully disagrees with and explicitly traverses the reason for rejecting the claims. However, in the interest of advancing the prosecution of this matter, applicant has amended independent claims to more clearly state the invention in view of the remarks made in the Office Action with regard to further defining what "the state of a set of pixels" or 'the state of a single pixel" is (see FOA, page 1). More specifically, applicant has amended the claims to recite that the "state" is a "state of significance" of the set of pixels and a single pixel.

Lin, on the other hand, discloses a 3DLZC method of compressing low bit rate video wherein temporal and spatial wavelet transforms are grouped in a root set, a branch set and a leaf set. Lin further discloses the use of an F_C map to indicate the significant pixel <u>positions</u> and an F_D to indicate the significant <u>descendant sets' position</u>. Hence, the flag (F_C and F_D) maps of Lin are related to pixel positions and neither the F_C nor the F_D maps describes "the state of significance of a set of pixels" or "the state of significance of a single pixel," as is recited in the claims.

It is well recognized that to constitute a rejection pursuant to 35 USC §102, i.e., anticipation, all material elements recited in a claim must be found in one unit of prior art.

Lin cannot be said to anticipate the invention recited in independent claim 1 because Lin fails to disclose a material elements claimed. More specifically, Lin fails to

disclose that the flags are used to indicate a "state of significance of a set of pixels," as is recited in the claim.

Having shown that Lin fails to disclose a material element claimed, applicant submits that the reason for the rejection has been overcome. Applicant respectfully requests withdrawal of the rejection and allowance of the claim.

With regard to independent claim 10, this claim has been rejected for the same reason used to reject claim 1. For the amendments made to the claim and for the remarks made with regard to claim 1, which are applicable and reasserted, as if in full, herein, applicant submits that claim 10 includes subject matter not disclosed by Lin and, thus, is patently distinguishable from, and allowable over Lin.

Applicant submits that the reason for the rejection has been overcome and can no longer be sustained. Applicant respectfully requests withdrawal of the rejection and allowance of claim 10.

With regard to claims 11 and 12, these claims depend from claim 10, which has been shown to be allowable over the cited reference. Accordingly, claims 11 and 12 are also allowable over the cited reference by virtue of their dependence from an allowable base claim.

Claims 2-4 and 7 are rejected under 35 USC 103(a) as being unpatentable over Lin in view of Tham ("Highly Scalable Wavelet-Based Video Codec for Very Low Bit-Rate Environment').

Applicant respectfully disagrees with, and explicitly traverses the reason for rejecting the claim.

Claims 2-4 and 7 ultimately dependent from claim 1, which has been shown to include subject matter not disclosed in, and hence, patently distinguishable over the Lin reference and the Tham references fails to cure the defect in the Lin reference. Accordingly, claims 2-4 and 7 are also allowable by virtue of their dependence from an allowable base claim.

Applicant, through his attorney, wishes to thank the examiner for his indication of allowable subject matter in claims 5, 6, 8 and 9, if rewritten to include the limitations of the base claim and any intervening dependent claims. However, applicant respectfully
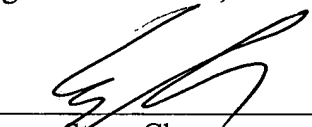
submits that for the amendments made to the claims and the remarks made herein all the claims in an allowable form. Accordingly, applicant elects not to amend the claims as indicated would be allowable at this time. However, applicant reserves the right to amend them at a subsequent time.

Although the last Office Action was made final, this amendment should be entered. Claims 1, 5 and 10 have each been amended to more clearly state the invention and should not require comparison with the prior art and any further review should only require a cursory review by the examiner. The amendment therefore should be entered without requiring a showing under 37 CFR 1.116(b).

For all the foregoing reasons, it is respectfully submitted that all the present claims are patentable in view of the cited references. A Notice of Allowance is respectfully requested.

Respectfully submitted,

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Date: February 10, 2005

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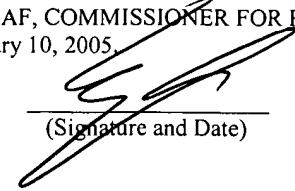**Mail all correspondence to:**
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